



**COUNTY OF SAN LUIS OBISPO  
DEPARTMENT OF PLANNING AND BUILDING  
STAFF REPORT**

*Promoting the wise use of land  
Helping build great communities*

**PLANNING COMMISSION**

<b>MEETING DATE</b> February 11, 2016 <b>EFFECTIVE DATE</b> February 26, 2016	<b>CONTACT/PHONE</b> Brandi Cummings bcummings@co.slo.ca.us (805)781-1006	<b>APPLICANT</b> Dana Merrill/Pomar Junction	<b>FILE NO.</b> DRC2014-00004
<b>SUBJECT</b> Hearing to consider a request by <b>DANA MERRILL OF POMAR JUNCTION WINERY</b> for a Conditional Use Permit to allow the phased expansion of the existing winery operations. Phase I consists of the conversion of two shop buildings of 2,700 square feet (sf) each to barrel storage and construction of an expanded wastewater treatment facility. Phase II consists of the construction of a 10,440-sf processing facility. The project is also requesting an expanded special event program to allow 25 events with up to 200 people per year and a modification to the winery noise ordinance to allow outdoor amplified music past 5 pm. The proposed project will result in the disturbance of approximately 60,000 sf on a 121 acre site. The proposed project is within the Agriculture land use category and is located at 5036 South El Pomar Road, approximately 7 miles east of the community of Templeton. The site is in the El Pomar-Estrella Sub area of the North County Planning Area.			
<b>RECOMMENDED ACTION</b> 1. Adopt the Negative Declaration in accordance with the applicable provisions of the California Environmental Quality Act, Public Resources Code Section 21000 et seq. 2. Approve Conditional Use Permit DRC2014-00004 based on the findings listed in Exhibit A and the conditions listed in Exhibit B			
<b>ENVIRONMENTAL DETERMINATION</b> The Environmental Coordinator, after completion of the initial study, finds that there is no substantial evidence that the project may have a significant effect on the environment, and the preparation of an Environmental Impact Report is not necessary. Therefore, a Negative Declaration (pursuant to Public Resources Code Section 21000 et seq. and CA Code of Regulations Section 15000 et seq.) has been issued on December 30, 2015 for this project. Mitigation measures are proposed to address Air Quality, Biological Resources, and Waste Water and are included as conditions of approval. Anyone interested in commenting or receiving a copy of the proposed Environmental Determination should submit a written statement. Comments will be accepted up until completion of the public hearing(s).			
<b>LAND USE CATEGORY</b> Agriculture	<b>COMBINING DESIGNATION</b> None Applicable	<b>ASSESSOR PARCEL NUMBER</b> 033-291-048	<b>SUPERVISOR DISTRICT(S)</b> 5
<b>PLANNING AREA STANDARDS:</b> Paso Robles Groundwater Basin, El Pomar-Estrella – Light and Glare			
<b>EXISTING USES:</b> Winery with tasting room, single-family residence, vineyards			
<b>SURROUNDING LAND USE CATEGORIES AND USES:</b> <div style="display: flex; justify-content: space-between;"><div><i>North:</i> Agricultural and Residential Rural/ residential and ag <i>South:</i> Agricultural / residential and ag</div><div><i>East:</i> Agricultural / residential and ag <i>West:</i> Agricultural / residential and ag</div></div>			
<small>ADDITIONAL INFORMATION MAY BE OBTAINED BY CONTACTING THE DEPARTMENT OF PLANNING &amp; BUILDING AT: COUNTY GOVERNMENT CENTER γ SAN LUIS OBISPO γ CALIFORNIA 93408 γ (805) 781-5600 γ FAX: (805) 781-1242</small>			

OTHER AGENCY / ADVISORY GROUP INVOLVEMENT: The project was referred to: Public Works, Environmental Health, Ag Commissioner, Cal Fire, Templeton Area Advisory Group	
TOPOGRAPHY: Gently sloping	VEGETATION: wine grapes, grasses, oaks and riparian
PROPOSED SERVICES: Water supply: On-site well Sewage Disposal: Individual septic system Fire Protection: Cal Fire	ACCEPTANCE DATE: October 3, 2014

## DISCUSSION

### PROJECT HISTORY

The proposed phased development was previously approved in 2008 by a Minor Use Permit (DRC2006-00249). As approved, the project authorized the following phased development:

**Phase 1:** To be vested by 2015 in accordance with Condition 33.

- a. Conversion of existing 1,400 square-foot (sf) residence to tasting room and office
- b. Conversion of existing 4,500 sf shop to processing facility with crush area
- c. Case Production of 5,000 cases

**Phase 2:** To be vested by 2015 in accordance with Condition 33.

- a. Conversion of two shop buildings to 2,700 sf of barrel storage
- b. Construction of expanded wastewater treatment facility (including 1,500 sf wetlands system and 4,800 sf effluent storage pond)
- c. Case production of 15,000 cases

**Phase 3:** To be vested by 2018 in accordance with Condition 33.

- a. Construction of new 10,440 sf processing facility.
- b. Case production of 30,000 cases

**Events:** 6 special events for no more than 80 attendees in addition to wine industry wide events. Amplified music is permitted

Prior to the hearing, staff submitted a memo to the Hearing Officer (Memo, July 16, 2008) to correct an error with the Phase 3 vesting timeline. The memo changed the vesting date from 2017 to 2018. No other phases were amended prior to project approval.

Phase 1 of the original project was vested and finalized on March 18, 2009. Phase 2 was required to be vested by 2015. To date no time extension requests were received, and this phase is now expired. Phase 3 is required to be vested by 2018. Also approved with the phased development were six special events per year with up to 80 attendees.

### PROJECT DESCRIPTION

The proposed project comprises of the phased expansion of the existing winery, including re-approval of the original and expired Phase 2 (now Phase I), extension of the vesting timeline for Phase 3 (now Phase II), as well as an increase to the existing special events program.

The proposed special events program includes 25 events per year with a maximum of 200 attendees each. The applicant is requesting to participate in wine industry-wide events and other related events

established during event weekends as currently allowed by Ordinance. The request also includes outdoor amplified music past 5 PM.

At buildout the winery will total 19,040 sf and the tasting room will total 1,348 sf. The concept of the project as a whole is to include and conduct all aspects of wine making on-site including: harvest, crushing, fermentation, barrel aging, blending, bottling, and case storage.

The project site currently contains about 95 acres of grape vines. Wine production at buildout is estimated to be 30,000 cases annually.

## PROJECT ANALYSIS

### ***Ordinance Compliance***

The project is subject to Land Use Ordinance (LUO) section 22.30.070D(2), Wineries. Section 22.30.070 sets forth standards for winery development including but not limited to access, setbacks, parking, design, screening, height, lighting and tasting rooms. This project is also subject to Section 22.10.120, Noise Standards.

<b><u>Standard</u></b>	<b><u>Required</u></b>	<b><u>Proposed</u></b>	<b><u>In Compliance</u></b>
Minimum Site Area (Section 22.30.070)	20 acres for special events	121 acres	Yes
Access location (Section 22.30.070)	Wineries with tasting rooms, retail sales located within 1 mile of arterial or collector	El Pomar and South El Pomar are located adjacent to the parcel and are collectors	Yes
Setbacks from residences outside of the ownership of the applicant (Section 22.30.070)	400 feet for wineries with a tasting room	≥ 1,000 feet all sides	Yes
Setbacks from property lines: (Section 22.30.070)	200 feet for wineries with a tasting room	Front: 370 feet Side: 978 feet Side: 617 feet Rear: 773 feet	Yes
Setbacks of Tasting room to Processing Facility (Section 22.30.070)	Tasting rooms must be within 200 feet of the wine processing facility	160 feet	Yes
Height (Section 22.30.070)	35 feet	35 feet	Yes

<u>Standard</u>	<u>Required</u>	<u>Proposed</u>	<u>In Compliance</u>
Signs (Section 22.20)	<ul style="list-style-type: none"> <li>One monument sign</li> <li>Maximum of aggregate area of 100 sf of signing per site</li> <li>Maximum area of 40 sf</li> <li>Maximum height of 5 ft.</li> </ul>	n/a	Yes, one existing sign on site near entrance
Limitation on Use / Noise (Section 22.30.070)	<ul style="list-style-type: none"> <li>Special events limited to 40 days per year;</li> <li>Amplified music shall not occur before 10 a.m. and after 5 p.m.;</li> <li>Standard may be waived where finding can be made that the noise will not exceed 65dB at property lines</li> </ul>	25 special events with up to 200 persons per event, amplified music past 5 p.m.	Modification requested for amplified music past 5 p.m.
Design Standards (Section 22.30.070)	Agricultural or residential in nature	Converted barns and residences	Yes
Tasting room (Section 22.30.070)	One tasting room allowed for each winery	n/a	Yes, there is currently one tasting room on site.
Liquid waste disposal (Section 22.30.070)	<ul style="list-style-type: none"> <li>Winery wastewater - standards set through RWQCB</li> <li>Domestic wastewater - leach lines shall be located at least 100 feet from any private well</li> </ul>	<ul style="list-style-type: none"> <li>Conditioned for waste discharge permit from RWQCB</li> <li>Conditioned to provide information to Environmental Health Department to comply</li> </ul>	Yes, as conditioned
Lighting (Section 22.30.070)	Lighting fixtures are required to be shielded	Future lighting is conditioned to comply with ordinance requirements	Yes, as conditioned
Parking 1 per 2,000 sf active 1 per 5,000 sf of storage 1 per 200 sf of tasting room (Section 22.18)	$14,992 / 2,000 = 7.5$ $2,700 / 5,000 = 0.54$ $1,348 / 200 = 6.74$ Total required: 15 1 ADA required	15 vehicles x 400 sf/vehicle = 6,000 sf	Project is conditioned to provide 15 parking spaces on site including 1 ADA space
Design and Operation Standards / Special Event Parking (Section 22.30.610.D.1-4 and E)	400 sf per vehicle; Located on open areas with slopes of 10 % or less, free of combustible material; 200 person event would require 32,000 sf	32,000 sf / 80 vehicles	Yes

<u><b>Standard</b></u>	<u><b>Required</b></u>	<u><b>Proposed</b></u>	<u><b>In Compliance</b></u>
Design and Operation Standards / Access (Section 22.30.610.D.1-4 and E)	Events shall be provided 2 access points	Two access points off South El Pomar Road, approximately 600 feet apart	Yes as conditioned; Improvements will be in conformance with Public Works and Cal Fire requirements
Design and Operation Standards / Fire Protection (Section 22.30.610.D.1-4 and E)	Facilities to be provided as required by Cal Fire	Project designed to meet CAL FIRE standards	Yes, as conditioned
Design and Operation Standards / Water Supply and sanitation (Section 22.30.610.D.1-4 and E)	Facilities to be provided as required by the Health Department	Project designed to meet Health Department Standards	Yes, as conditioned
Permit Requirement	Conditional Use Permit approval for 6 or more special events or when there will be more than 80 guests attending	25 special events with up to 200 guests	Yes, applicant has applied for a Conditional Use Permit (this permit).

### **Noise Standards**

The following are the maximum allowed exterior noise levels for all areas of the County for both daytime and nighttime.

<b>Maximum Allowed Exterior Noise Level Standards</b>		
<b>Sound levels</b>	<b>Daytime 7 a.m. to 10 p.m.</b>	<b>Nighttime (1) 10 p.m. to 7 a.m.</b>
<b>Hourly Equivalent Sound Level (<math>L_{eq}</math> dB)</b>	50	45
<b>Maximum level, dB</b>	70	65

*Staff comments:* The applicant proposes to conduct 25 winery special events per year, with up to 200 people per event. Periodic industry-wide events (i.e., open house, winemaker dinners, etc.) are also proposed. Outdoor amplified music is proposed past 5:00 p.m. during special events. The existing and proposed music is located at the lawn area between the residence and tasting room, approximately 450 feet from the property line that fronts South El Pomar Road.

A Sound Level Assessment was prepared for this project (David Lord PhD, June 23, 2014). Based on the distance between the event area and shared property line (500 feet), and nearest noise-sensitive land use (800 feet), noise thresholds would not be exceeded. The Sound Level Assessment found sound levels for the proposed project would not exceed the County daytime limits of 50  $L_{eq}$  dB (hourly equivalent sound level) or 70 dB maximum, or the County nighttime limits of 45  $L_{eq}$  dB or 65 dB maximum, at the property lines.

As conditioned the project complies with the requirements of the Land Use Ordinance.

## PLANNING AREA STANDARDS

### ***North County Planning Area***

Paso Robles Groundwater Basin. New development requiring discretionary land use permits shall offset new water use at a ratio of 2:1 through participation in water conservation programs. Agricultural Processing uses shall be exempt from this offset requirement, but may be subject to land-use or water conservation mitigation measures based on environmental review.

*Staff comments: The winery expansion of the proposed project is exempt from this standard as the remaining phases are agricultural processing related. The event portion of the project is subject to the off-setting requirements.*

*The applicant submitted a Water Offset Memorandum to determine the project's anticipated Special Events water use and to calculate the offset requirements (Wallace Group, July 7, 2014). The proposed special events will be catered and will utilize temporary portable restrooms. There is one existing ADA restroom on site that is available to guests on a limited basis. It is estimated that 20% of special events guest will use the ADA restroom, resulting in approximately 4,520 additional gallons of water use per year. The 2:1 offset would require 9,040 gallons of water, or approximately 0.028 acre-feet (Wallace Group, July 7, 2014).*

*The applicant is proposing to offset the new water demands by removing 10 onsite irrigated olive trees, ornamental in nature. Olive tree water consumption is estimated at 904 gallons per year per tree, or 0.03 AFY for 10 trees (Wallace Group, July 7, 2014).*

### ***El Pomar-Estrella Sub-area***

Light and Glare. At the time of application for any land use permit or land division, the applicant shall provide details on any proposed exterior lighting, if applicable. All lighting fixtures shall be shielded so that neither the lamp nor the related reflector interior surface is visible from adjacent properties. Light hoods shall be dark-colored.

*Staff comments: The proposed project is conditioned to comply with all Lighting and Glare standards.*

## MAJOR ISSUES

### ***PASO ROBLES GROUND WATER BASIN***

On October 27, 2015, the San Luis Obispo County Board of Supervisors adopted Resolution 2015-0288. Per this resolution, new construction that uses water from the Paso Robles Groundwater Basin must offset water use at a 1:1 ratio. Water savings must come from the Paso Robles Groundwater Basin. In addition, new and existing wells that serve new construction are required to have a well meter installed.

*Staff comments: The offset requirements of Resolution 2015-288 are implemented through Title 19 (Building and Construction Ordinance). Agricultural processing uses are not exempted from the provision of this resolution, and therefore new processing will need to be offset at a 1:1 ratio. The proposed project is conditioned and shall comply with all offset requirements prior to construction permit issuance.*

### ***LAND CONSERVATION ACT (WILLIAMSON ACT)***

The subject parcel is under a Williamson Act land conservation contract. The parcel also has an active business license (#6002366, exp. 02/29/2016) for a vacation rental. Based on the County's Agriculture Element and the Rule of Procedure to Implement the California Land Conservation Act of 1965, vacation rentals are not compatible or allowed uses on contract parcels as they are not in direct support of the agricultural enterprise (winery) of the property. This project has been conditioned to disallow the renewal of the existing vacation rental license.

#### COMMUNITY ADVISORY GROUP COMMENTS

The Templeton Area Advisory Group (TAAG) board met on December 18, 2014 and reviewed the proposed project. TAAG supported the approval of this permit with a vote 7-0.

#### AGENCY REVIEW

Public Works – Per attached referral response (Marshall, May 28, 2015 and Manim, August 1, 2007), the project will need to pay road fees at time of building permit application. Any new driveway will require an encroachment permit. Gates must be setback a minimum of 75 feet from County road travel way. Applicant shall provide recycling opportunities at all events.

Environmental Health – Per attached referral response (Terry, August 15, 2015), recommended stock conditions for waste, water, and food.

Agriculture Department – Per attached referral response (Auchinachie, August 13, 2014), the Agriculture Department found that the request for additional special events would have a less than significant impact to agricultural resources. Per attached referral response (Isensee, February 13, 2008), the Agriculture Department found the development of the winery and tasting room should result in less than significant impacts to agricultural resources.

Cal Fire – Per attached referral response (Bullard, January 2016), a written plan and field inspection for events must be submitted 30 days prior to the event, construction must be ignition resistant, a fire protection system is required.

#### LEGAL LOT STATUS

The one existing lot is Parcel 1 of COAL 05-0382.

Staff report prepared by Brandi Cummings and reviewed by Karen Nall